federal register

FRIDAY, JUNE 9, 1978
PART V

OFFICE OF MANAGEMENT AND BUDGET

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BUDGET RESCISSIONS AND DEFERRALS

Reports

[3110-01]

OFFICE OF MANAGEMENT AND BUDGET

RESCISSIONS AND DEFERRALS

To the Congress of the United States:

In accordance with the Impoundment Control Act of 1974, I herewith report one proposal to rescind $48 million in budget authority previously provided by the Congress. In addition, I am reporting three new deferrals totalling $8.1 million and revisions to three previously transmitted deferrals increasing the amount deferred by $0.4 million.

The rescission proposal affects the military assistance program. The new deferrals and the revisions to existing deferrals involve programs in the Departments of Agriculture, Commerce, the Interior, and the Treasury.

The details of the rescission proposal and the deferrals are contained in the attached reports.

JIMMY CARTER,

THE WHITE HOUSE.
June 5, 1978.

CONTENTS OF SPECIAL MESSAGE
(in thousands of dollars)

Rescission No.	Item	Budget Authority
	Funds Appropriated to the President:	
	International Security Assistance	
R78-6	Military assistance	48,000
Deferral No.		
	Department of Agriculture:	
	Forest Service	
	Permanent appropriations,	
D78-4A	Licensee programs	227
	Department of Commerce:	
	Regional Action Planning Commissions	
D78-64	Regional development programs	1,618
	National Oceanic and Atmospheric Administration	
D78-65	Operations, research, and facilities	1,433
D78-10A	Fisherman's guaranty fund	950
	Department of the Interior:	
	Heritage Conservation and Recreation Service	
D78-16A	Land and water conservation fund	30,000
	Department of the Treasury:	
	Office of the Secretary	
	Antirecession financial assistance	
D78-66	fund	5,000 1/
	Subtotal, deferrals	39,228
	Total, rescission proposal and deferrals	87,228

1/ Outlays only.

SUMMARY OF SPECIAL MESSAGES
FOR FY 1978
(in thousands of dollars)

	Rescissions	Deferrals
Ninth special message:		
New items	48,000	8,051
Changes to amounts previously transmitted	—	358
Effect of ninth special message	48,000	8,409
Previous special messages	87,923	4,956,404
Total amount proposed in special messages	135,932 (in 6 rescissions)	4,966,813 1/ (in 66 deferrals)

1/ This amount represents budget authority except for $14,573,000 consisting of four Department of the Treasury deferrals of outlays only (D78-28B, D78-50, D78-52, D78-66).

Rescission Proposal No: R78-6

PROPOSED RESCISSION OF BUDGET AUTHORITY
Report Pursuant to Section 1012 of P.L. 93-344

Agency: Funds Appropriated to the President	New budget authority (P.L. 95-148 ___) $220,000,000
Bureau: International Security Assistance	Other budgetary resources 95,700,000
Appropriation title & symbol: Military Assistance 1/ 2/ 117/81080 and 1181080	Total budgetary resources 315,700,000
	Amount proposed for rescission $48,000,000 3/
OMB identification code: 11-1080-0-1-152	Legal authority (in addition to sec. 1012): [X] Antideficiency Act; [ ] Other ___
Grant program: [ ] Yes [X] No	
Type of account or fund: [X] Annual; [X] Multiple-year September 30, 1978 (expiration date); [ ] No-year	Type of budget authority: [X] Appropriation; [ ] Contract authority; [ ] Other ___

Justification:

Pursuant to the Foreign Assistance Act of 1961, as amended, the President is authorized to furnish military assistance "...to any friendly country or international organization, the assisting of which the President finds will strengthen the security of the U.S. and promote world peace..." The Foreign Assistance and Related Programs Appropriation Act, 1978 (Public Law 95-148, approved October 31, 1977) appropriated $220,000,000 for this purpose. Additional budgetary resources of $135,900,000 were expected to be available in FY 1978. Public Law 95-254 rescinded $40.2 million of these funds making an anticipated total of $95.7 million of additional funds available for this program.

In 1974, the Congress enacted Section 620(x) of the Foreign Assistance Act of 1961, which as amended, suspends all grant military assistance to Turkey "...until the President determines and certifies to the Congress that substantial progress toward agreement has been made regarding military forces in Cyprus..." As a result, $48 million which was authorized and appropriated for Turkey was deferred pending a Presidential certification regarding Cyprus or enactment of legislation by Congress removing the Presidential certification requirements. On April 6, 1978, the Secretary of State testified that the President was requesting the repeal of Section 620(x) and indicating that the U.S. and Turkey had agreed to renegotiate the Defense Cooperation Agreement which had been signed

1/ This account is the subject of a deferral, D78-47.
2/ This account was the subject of a similar rescission (R78-2) proposed earlier this fiscal year.
3/ This amount was included in a deferral (D78-47) transmitted to the Congress on December 15, 1977.

in March 1976. The lifting of Section 620(x) would make Turkey eligible to receive the $48 million which are no longer contemplated for use because of proposed new military assistance arrangements with that country.

Consequently, the $48 million will not be required in 1978 to carry out the full objectives and scope of the program now contemplated, and a rescission of this amount is proposed.

Estimated Effects:

There are no programmatic or budgetary effects that result from this rescission proposal since the planned FY 1978 program can be accomplished without the funds.

Outlay Effect:

There is no outlay impact of this rescission proposal.

TITLE I--FOREIGN ASSISTANCE ACT ACTIVITIES

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

Of the funds appropriated under this head in the Foreign Assistance and Related Programs Appropriations Act, 1978, $48,000,000 are rescinded.

D78-4A

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344

This report revises Deferral No.D78-4 transmitted to the Congress on October 3, 1977, and printed as House Document No.95-235.

The amount deferred for the Forest Service's Licensee programs account is $226,738, an increase of $86,073 over the amount previously deferred. This change reflects an adjustment in unobligated balances brought forward on October 1, 1977, from an estimated to an actual basis.

Deferral No: D78-4A

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency: Department of Agriculture	New budget authority (18 USC 711) $ 321,000
Bureau: Forest Service	Other budgetary resources 231,738 *
Appropriation title & symbol: Licensee Programs, Forest Service 1/ 12X5214	Total budgetary resources 552,738 *
	Amount to be deferred: Part of year $ ____
	Entire year 226,738 *
CFS identification code: 12-9922-0-2-302	Legal authority (in addition to sec. 1013): [x] Antideficiency Act
Grant program: [ ] Yes [x] No	[ ] Other ____
Type of account or fund: [ ] Annual	Type of budget authority: [x] Appropriation
[ ] Multiple-year ____ (expiration date)	[ ] Contract authority
[x] No-year	[ ] Other ____

Justification: *

Royalties collected under licenses for use of the characters "Smokey Bear" and "Woodsy Owl" are permanently appropriated and utilized for furthering the nationwide forest fire prevention campaign and promoting the wise use of the environment as provided by the Act of May 23, 1952 (18 USC 711), and for Woodsy Owl, (31 USC 488b-3-6). The total budgetary resources available in this program for fiscal year 1978 consist of $231,738 in actual receipts carried forward to fiscal year 1978 from fiscal year 1977 and $321,000 in receipts anticipated for fiscal year 1978. In keeping with routine financial management practices maintained over the years, $226,738 of the total budgetary resources available has been reserved. The reserve is justified on two grounds: (1) the reserve contributes to a consistent, stable program level from year-to-year which, in turn, promotes more efficient operations. The fiscal year 1978 program is being funded, in part, from reserved balances carried forward from last year. The 1979 program will be partially funded by the estimated receipts being deferred in fiscal year 1978; and, (2) reservation of funds is required to avoid the possibility of a violation of the Antideficiency Act (31 USC 665, (a), (b), (h)). A violation of the sections cited could occur if all the estimates of receipts now deferred were made available and obligated while estimated receipts were not fully realized.

This reserve action is taken under provisions of the Antideficiency Act that authorize the establishment of reserves for contingencies (31 USC 665(c) (2)).

1/ This account was the subject of a similar deferral during FY 1977.

*Revised from previous report.

D78-4A

Estimated Effects:

The funds made available are sufficient to carry out 1978 program objectives. If the deferred funds were made available for use and obligated in 1978, the 1979 program level would be below that conducted in the current year because some portion of 1978 receipts normally carried forward into the next fiscal year would not be available.

Release of deferred funds would necessitate development of a plan for an expanded 1978 program.

Outlay Effect:

No effect on outlays results from this deferral action.

Deferral No: D78-44

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 95-86) $64,600,000
Bureau Regional Action Planning Commissions	Other budgetary resources 8,727,282
Appropriation title & symbol	Total budgetary resources 73,327,282
Regional Development Programs 12X2100	Amount to be deferred: Part of year $ ___
	Entire year 1,618,000
CFS identification code: 13-2100-0-1-452	Legal authority (in addition to sec. 1013): ☐ Antideficiency Act
Grant program ☒ Yes ☐ No	☐ Other ___
Type of account or fund: ☐ Annual	Type of budget authority: ☒ Appropriation
☐ Multiple-year ___ (expiration date)	☐ Contract authority
☒ No-year	☐ Other ___

Justification: The Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1978, provided $2,036,000 for the establishment of two new regional planning commissions. To date, only one new commission, Southwest Border Commission, has been established, leaving $1,018,000 of the funds uncommitted. There is also available from FY 1977 $600,000 out of $1,000,000 appropriated for an unspecified number of new commissions, bringing the total available for new commissions to $1,618,000. There are currently seven applications pending for the designation of economic development regions which, if approved, would result in the establishment of new commissions. While no final decision has been made on any of the applications, consistent with a wider review of the future of regional development programs, it is expected that because of the length of time required to organize and establish a commission no funding would be required during this fiscal year should any of the applications be approved. This deferral action will reserve the funds until a final decision on pending applications has been made, at which time the funds will be available either for additional new commissions or the existing new commission.

Estimated Effects: The effect of deferring $1,618,000 beyond 1978 will be to insure that funds will be available for initial start-up costs should any new commissions be established.

Outlay Effect: There is no outlay effect from this deferral.

D78-10A

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 93-344

This report revises Deferral No. D78-10 transmitted to the Congress on October 3, 1977, and printed as House Document No. 95-235.

This deferral for the Fishermen's guaranty fund in the National Oceanic and Atmospheric Administration of the Department of Commerce increases the previously reported deferral from $677,926 to $950,348. This increase of $272,422 results from an increase in estimated receipts for FY 1978 and recovery of prior year obligations.

Deferral No: D78-16A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of the Interior	New budget authority $30,000,000
Bureau Heritage Conservation and Recreation Service *	(16USC 460L; P.L. 95-74) Other budgetary resources 128,413,438*
Appropriation title & symbol	Total budgetary resources 158,413,438*
Land and Water Conservation Fund 1/ 14X5005	Amount to be deferred: Part of year $ ___
	Entire year 30,000,000
CFS identification code: 14-5005-0-2-303	Legal authority (in addition to sec. 1013): ☒ Antideficiency Act
Grant program ☐ Yes ☒ No	☐ Other ___
Type of account or fund: ☒ Annual (the deferred funds have a one year availability)	Type of budget authority: ☒ Appropriation
☐ Multiple-year ___ (expiration date)	☒ Contract authority
☒ No-year	☐ Other ___

Justification: Under the law (16 USC 460L (10a)), $30 million of contract authority becomes available each fiscal year to the Land and Water Conservation Fund in addition to the $600 million appropriation enacted for FY 1978. The authority is made available by the Congress for use specifically as an anti-escalation measure in purchasing authorized Federal recreation land (P.L. 90-401; Senate Report 90-1071, to accompany S.1401). This authority was last used in 1969 and 1970. Thus, the contract authority has lapsed in fiscal years 1971-1977. The funds will be utilized in the future, as in the past, on a special case basis for emergency situations consistent with our understanding of congressional intent.

In accordance with provisions of the Antideficiency Act (31 USC 665), the $30 million has been deferred. This contract authority lapses at the end of each fiscal year in which it is not used. An equal amount becomes available at the beginning of the next fiscal year. The other funds in this account are the FY 1978 appropriation and prior-year balances of direct appropriations that have been made available for obligation.

Estimated Effects: This reserve for contingencies has no fiscal, economic or budgetary effect in the current year. The funds would be made available and obligated only in unforeseeable circumstances.

Outlay Effect: There is no outlay effect of this deferral because the funds would not be used if made available.

1/ This account was the subject of a similar deferral during FY 1977.
* Revised from previous report.

Deferral No: D78-10A

DEFERRAL OF BUDGET AUTHORITY
Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. ___) $ ___
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources 1,143,048*
Appropriation title & symbol	Total budgetary resources 1,143,048*
Fishermen's Guaranty Fund 1/ 13X4318	Amount to be deferred: Part of year $ ___
	Entire year 950,348*
CFS identification code: 13-4318-0-3-403	Legal authority (in addition to sec. 1013): ☒ Antideficiency Act
Grant program ☐ Yes ☒ No	☐ Other ___
Type of account or fund: ☐ Annual	Type of budget authority: ☒ Appropriation
☐ Multiple-year ___ (expiration date)	☐ Contract authority
☒ No-year	☒ Other 82 Stat 729

Justification: *

The Fishermen's Protective Act of 1967, as amended, provides compensation to vessel owners and crews for financial losses resulting from the seizure of United States fishing vessels by foreign governments on the high seas or on the basis of foreign rights or claims to territorial waters not recognized by the United States. Capital for this fund beginning in FY 1978 is derived from fees paid by vessel owners at rates established by the Secretary of Commerce.

The current program will finance the administrative expenses of this fund and payment of all anticipated claims leaving $950,348 that can be deferred to cover any future seizures and subsequent claims. This reserve is in accordance with the Antideficiency Act. These funds could not be used even if made available for obligation.

Estimated Effects:

Deferral of these funds will have no effect on the Fishermen's Guaranty Fund program as currently planned for FY 1978.

Outlay Effect:

There is no outlay effect of this deferral because the funds would not be used if made available.

1/ This account was the subject of a similar deferral during FY 1977.
* Revised from previous report.

D78-16A

SUPPLEMENTARY REPORT

Report Pursuant to Section 1014(c) of Public Law 930344

This report updates Deferral No.D78-16 transmitted to the Congress on October 3, 1977, and printed as House Document No.95-235.

This supplementary report contains the revisions necessary to change this deferral for the Land and water conservation fund in the Department of the Interior from the Bureau of Outdoor Recreation to the Heritage Conservation and Recreation Service.

Deferral No: D78-65

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of Commerce	New budget authority (P.L. 95-86) $607,506,000
Bureau National Oceanic and Atmospheric Administration	Other budgetary resources 81,220,320
Appropriation title & symbol Operations, Research, and Facilities 1/ 13x1450	Total budgetary resources 688,726,320
	Amount to be deferred: Part of year $
	Entire year 1,433,000
CFE identification code: 13-1450-0-1-306	Legal authority (in addition to sec. 1013): ☒ Antideficiency Act
Grant program ☐ Yes ☒ No	☐ Other
Type of account or fund: ☐ Annual ☐ Multiple-year (expiration date) ☒ No-year	Type of budget authority: ☒ Appropriation ☐ Contract authority ☐ Other

Justification:

Funds were provided in the Departments of State, Justice, and Commerce, the Judiciary, and Related Agencies Appropriation Act, 1978, for the continuation of the OCEANLAB project. Since delays have developed in completing the planning for the project and the award date for the construction contract has been rescheduled to December, 1979, at the earliest, funds totalling $1,433,000 are deferred for the entire year. This deferral will provide the additional time necessary to complete the review and selection of the most cost effective configuration of an OCEANLAB facility.

This deferral is taken in accordance with the Antideficiency Act (31 USC 665).

Estimated Effects:

This deferral will not affect the timing of construction of the OCEANLAB facility because actual construction is not planned to begin before the end of 1979.

Outlay Effect:

There is no outlay effect of this deferral, because the funds could not be used if made available.

1/ This account was the subject of a similar deferral in FY 1977.

Deferral No: D78-66

DEFERRAL OF BUDGET AUTHORITY

Report Pursuant to Section 1013 of P.L. 93-344

Agency Department of the Treasury	New budget authority (P.L. 95-119) $1,400,000,000
Bureau Office of the Secretary	Other budgetary resources 85,786,000
Appropriation title & symbol Antirecession Financial Assistance Fund 208/90108 1/ 2/	Total budgetary resources 1,485,786,000
	Amount to be deferred: Part of year $ 5,000,000 3/
	Entire year
CFE identification code: 20-0108-0-1-852	Legal authority (in addition to sec. 1013): ☒ Antideficiency Act
Grant program ☒ Yes ☐ No	☒ Other P.L. 94-369, P.L. 95-30
Type of account or fund: ☐ Annual ☒ Multiple-year September 30, 1979 (expiration date) ☐ No-year	Type of budget authority: ☒ Appropriation ☐ Contract authority ☐ Other

Justification:

The Antirecession Financial Assistance Fund provides for federal economic assistance to State and local governments to help prevent those governments from taking budget related actions which are injurious to national economic health. These quarterly countercyclical payments are based on the relative size of the revenue sharing payments made to the State and local governments and the extent to which the unemployment rates present in those areas, in the appropriate quarter, exceed 4.5 percent. This deferral represents payments which have been and may be withheld from various governments for reasons of non-compliance with the requirements of the Public Works Employment Act of 1976 (P.L. 94-369).

Estimated Effects:

The release of these funds is contingent upon the various governments' compliance with the law by submitting required forms and reports.

Outlay Effect:

There is no outlay effect of this deferral. The funds will be made available this fiscal year.

1/ This account is the subject of another deferral, D78-26C.
2/ This account was the subject of similar deferrals (D78-50 and D78-58) earlier this fiscal year.
3/ Outlays only.

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